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ABSTRACT

Sheltered work programs for the handicapped in five European countries (Denmark, Sweden, Poland, West Germany, and The Netherlands) are described in this paper. Basic features of the programs in each country are discussed, including population, financing, and aspects of the programs that can be applied in helping America improve employment programs in workshops. Key points raised are these: (1) The role, functions, and responsibilities of the workshop as an employer of the disabled are different from those of the workshop as a provider of services to the disabled, and (2) once sheltered workshops assume the role of employers of the disabled, they assume a number of responsibilities for the workers they employ, which are the same as those of employers in the competitive labor market and include such things as payment of adequate wages, provision of adequate machinery and technology for performing work, meeting occupational safety and health standards, providing for worker satisfaction and morale, and providing workers with a voice in management. A comment on the paper (by Dennis J. Dunn) is appended which includes a discussion of employment and rehabilitation services in Poland. (TA)

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INTERFACE NUMBER 3

A WAY OF LOOKING AT SHELTERED WORKSHOPS FOR THE 1970's

Henry Redkey
with a comment by
Dennis J. Dunn

December 1975

Research and Training Center
Stout Vocational Rehabilitation Institute
University of Wisconsin - Stout
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Foreword

During the 1974-75 academic year, the Department of Rehabilitation and Manpower Services (now known as the Stout Vocational Rehabilitation Institute) at the University of Wisconsin - Stout established the Rehabilitation Lecture Series. The purpose of the series is to bring leaders in the field of rehabilitation on campus to interact with students and staff and to present a lecture of significance to the times in the rehabilitation movement.

The Rehabilitation Lecture Series was inaugurated on April 23, 1975 by Mr. Henry Redkey with a lecture entitled "A Way of Thinking About Sheltered Workshops for the 1970's". This lecture was based upon a tour he made of five European countries to investigate sheltered work programs for the handicapped in Europe.

Mr. Redkey, who earned his bachelor's degree in sociology at George Washington University and his master's degree in social work administration at Ohio State University, has had a long and distinguished career in the field of vocational rehabilitation. Having held a number of important positions, he is perhaps best known to the field of vocational rehabilitation for his many years of service as Chief of the Division of Rehabilitation Facilities and Workshops for the Vocational Rehabilitation Administration. Upon leaving that position he was, for a few years, Chief of the Narcotic Addict Rehabilitation Branch of the National Institute of Mental Health and then spent three and a half years at the University of Wisconsin - Stout as a visiting professor in the vocational rehabilitation program. Mr. Redkey has received a number of citations for his leadership, including the Distinguished Service Award of the College of Administration at Ohio State University and the 50th Anniversary Commemorative Medallion for the Rehabilitation Services Administration.

Distribution of the lecture is being sponsored by the Research and Training Center of the Stout Vocational Rehabilitation Institute through its new *Interface* publication. Dr. Dennis Dunn, of the Research and Training Center staff, has added a comment to Mr. Redkey's

lecture. This is based on Dr. Dunn's experience with rehabilitation in Poland.

Mr. Redkey has written a paper of significance which should be read by all of those concerned with vocational rehabilitation and the sheltered workshop movement.

Those who would like to write directly to Mr. Redkey in response to this paper may do so by writing to: Mr. Henry Redkey, Cape George Colony, Route 2, Box 63, Port Townsend, Washington, 98368.

Paul R. Hoffman
Executive Director
Stout Vocational Rehabilitation
Institute

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Jason D. Andrew, Ph.D.
Director

A Way of Looking at Sheltered Workshops for the 1970's

Henry Redkey

In 1964 I wrote an article entitled "A Way of Thinking About Sheltered Workshops". It was widely printed and reprinted, and some of the terminology employed was generally adopted. However, the basic ideas pertaining to the functions of workshops were not generally put into practice. Eleven years later, I am still trying to think creatively about sheltered workshops. We have had considerable experience in eleven years, but there is still controversy over how workshops should function, how they should be financed, and how their labor relations should be handled. Some of the major changes in eleven years are:

1. The number of workshops has multiplied until there are some 2,000 in the country. Not only do we see the large shops like the Goodwill's and JVS's, but we often see small workshops even in rural communities, such as my own county--which has a population of only 10,000 and a workshop with about ten clients or workers.
2. Much of the increase in the number of workshops is due to their wider use with the mentally retarded. The desperation of parents of mentally retarded children when they saw their children reach adolescence and adulthood was very great. Discovering the workshop, they thought they had found the answer to their problem. It turned out to be only a partial solution, but it helped. However, the involvement of the retarded also led to a modification of workshops to the point where the distinction between activity center, therapy center, and workshop became vague and fuzzy. This development added confusion as to what a workshop is, and it added to the severity of the problems which all workshops encounter.
3. As workshops increased in number they tended, often with the encouragement of state VR agencies, to become all things to all people. That is to say, they were less concerned with work (which was the original primary reason for workshops) and more concerned with services, such as guidance, work evaluation, work adjustment, corrective education, and even

therapy. The VR workers who had long deplored workshops as dead-end facilities suddenly saw them as work-oriented laboratory settings which might contribute to vocational rehabilitation of the handicapped. In their newfound zeal, they stressed more staffing for helping services until the function of the shop became quite different, and its economic base was eroded. At the same time, organized labor looked askance at a place where people "worked" but got paid very little.

4. Workshops have become more and more dependent upon state rehabilitation agencies for funding. This funding seldom, if ever, provides for work, but almost entirely provides for various services. What is worse, the funding is all too often on a project-grant basis (more or less camouflaged as research) which eventually runs out. This leaves shops in the dilemma of dreaming up some new kind of grant request that might support the staff overhead that has been built up. Unfortunately for workshops, state VR agencies think almost exclusively in terms of services. They are not accustomed to thinking in terms of cost-accounting, competitive bidding, quality control, or manufacturing plant layout.

So it is that great controversies have developed concerning workshops in the United States. These led the Congress in 1973 to mandate a thorough and objective study of workshops and their role in rehabilitation. In all probability, some of the reasons for conducting the study were:

1. Labor deplores "sub-standard" wages paid handicapped people and did not seem too worried about how harried workshop managers, trying to use marginally productive workers in a competitive market, might find the money to pay for work that wasn't performed.
2. If well motivated persons already burdened with a severe handicap still believed in the work ethic, wanted to work and be productive members of society, were they to be refused?

Was it fair for them to work all week to earn a small wage and then go to the welfare office or the social security office for what else was needed to live? The latter move was especially repulsive if the welfare, social security, or other helping programs were inclined or required to cut support as individuals' earnings increased somewhat. Such action killed incentive.

3. The VR program was based on returning people to work in competitive industry on an individual basis. Was permanent work for minimal wages in a workshop rehabilitation or a cop-out? If workshops were vital to rehabilitation, and if they had to be supported financially, was there a better way to do it than off-again, on-again project grants? State agencies paid for services in workshops such as work adjustment, work evaluation, training, etc.; but there was widespread complaint that the quality of these services was often poor. The reasons seemed to be that techniques still were not well enough refined, well-trained staff was not available in sufficient numbers, many workshops were too small, their caseloads too stagnant to justify the diversified staff, and, finally, there was not money to pay for a well-trained staff even if one were available. (Currently, the state-federal VR program is spending about eight million dollars per year in workshops and, from 1964 to 1973 inclusive, had expended a total of about forty-four million.)

4. Among other complaints about workshops was one of lack of efficiency in management. Some critics blamed poor management for low wages, poor buildings, poor equipment, and poor working conditions. Some called the system one of exploitation of handicapped workers. It had been said that many people in sheltered workshops did not like being there. Was that because individualized rehabilitation and placement in competitive industry had failed? Was it because workshops were poorly financed or mismanaged? Or was it because we had not

analyzed the need correctly, nor developed a proper mechanism for meeting the needs that existed?

Small wonder, then, that Congress, reflecting public opinion, mandated a national and international study to find answers to these perplexing problems. Indicative of its suspicion toward workshop management and rehabilitation programs was the stipulation that no one connected with either was to be involved in the study.

During the spring of 1975, it was my privilege, along with my associate, Mr. Vaughn DeLong, to visit workshop programs in Denmark, Sweden, Poland, West Germany, and the Netherlands. This enabled us to take a careful look at the way a number of other countries had dealt with the workshop problem.

Before setting forth some of my observations and proposing some possible solutions to our sheltered workshop problems, I must make four very important caveats:

1. No one can spend a week or two in a foreign country and become really expert on the workings of anything as complicated as a national rehabilitation program, tied up as it is with economic, cultural, and political conditions which are necessarily different from country to country.
2. It should go without saying that no rehabilitation program can be lifted in whole or in large part and transplanted to another country. Some ideas and methods can be borrowed and, in some instances, sufficiently modified to work in our own situation. This was my approach to rehabilitation programs in the countries I visited.
3. I have not had opportunity to see the data collected nationwide as part of the study of sheltered workshops and so cannot base conclusions on that data which, when it becomes available, may lead to different conclusions.
4. While I have dealt with many aspects of the sheltered workshop situation in this country for many years, I, like many others, do not have pat solutions for every problem. Rather, based on experiences and a unique opportunity to observe

progress in other countries, and in view of the great need for solutions to be found, I am advancing some ideas--tentative to be sure--but ideas which I hope will promote discussion and perhaps lead to firm policy decisions on how to use sheltered employment in our American rehabilitation programs.

WORKSHOPS IN OTHER COUNTRIES

Denmark

Turning now to general impressions I formed of programs in other countries, I shall begin with Denmark. Denmark covers some 43,000 square kilometers and is a typical lowland with no minerals of any material importance. The population of five million as of January 1974 is increasing annually at a rate of 0.6%. One-fourth of the population is under 15 years of age, and 13% are over 65. The 23% living in rural areas decreases constantly because of the continuing migration to urban areas.

Public expenditure amounts to 49% of the total national income. The biggest item in recent national budgets has been the cost of defense. Old-age and invalids' pensions account for the biggest item in social services. I would describe Denmark's approach to rehabilitation of the handicapped as a social-service approach. It is a country with one of the most complete cradle-to-the-grave social systems. Its rehabilitation work is primarily done by social workers. The work ethic is strong in the country. Labor has paid little attention to sheltered employment. Most sheltered workshops are privately operated and are not too unlike many of our own. Equipment tends to be not the latest or most efficient, and occasionally one finds certain methods used only because they keep more people busy. Like every other country visited, Denmark's mentally retarded have rapidly increased in the sheltered workshop caseload to the point where physically handicapped look like a minority.

A basic feature in the Denmark program is the invalid pension which every disabled person receives on one of three levels. It definitely does not undermine the motivation to work, and to be productive

within the limits of disability. All sheltered employment is subsidized by the state, mostly through the invalid pension, but by reimbursement of operating expenses as well. The enclave method has been successful on the limited scale to which it has been used. An enclave, in this instance, is the placement of groups of handicapped workers in a private factory under supervision of the sheltered shop staff. There is no standardized and accepted method for determining wages and prices. Everything is left to negotiation. A separate program for MR's is operated by the state. Its facilities are public in contrast to those for the physically disabled. Efforts to integrate MR's with other disability groups have been reported to be unsuccessful.

What could we learn from Denmark?

1. Subsidizing *people* who are disabled does not destroy incentive to work.
2. Enclave projects are worth more study as a means of approaching normality for disabled workers.
3. Subsidy of sheltered workshops is a must. Not to do so is a contradiction in terms.

Sweden

Sweden is another "cradle-to-the-grave" social system, but here rehabilitation takes a labor market approach, in contrast to the social-service model in Denmark.

The population in Sweden is eight million, of which approximately one and one-half million live in Stockholm. Of the total Swedish labor force of some four million people, 7% are employed in agriculture and forestry, while mining and manufacturing account for 28%, and building and construction account for 9%. Commerce, transport, administration, medical and social care, services, etc., are demanding an increasing number of personnel; and in the 1970's, more than half of the total manpower will be employed within these sectors.

The aim of economic policy is full employment, rapid economic growth, and a more uniform distribution of income in a balanced economy. The national labor market board is the body responsible for shaping and putting labor market policy into effect. The national board's

field of activity includes supervision of the public employment service, control of private employment agencies, management of vocational guidance and re-employment services, follow-up or stimulation of other authorities' planning of projects suitable to be carried out as relief works, direction of the start and discontinuation of such works, and control of voluntary unemployment insurance, as well as other matters relating to manpower and employment possibilities.

Rehabilitation in Sweden is and has been heavily oriented to employment. In this respect, it is much like the vocational rehabilitation program of the United States. There is now increasing concern that this is not enough and that more attention should be paid to social and medical rehabilitation. Sweden now recognizes that the need for sheltered employment is not going to disappear. The disabled who want to work are not all going to find jobs in competitive industry.

Equipment in workshops is outstanding. Shops look like normal factories. Working conditions appear to be excellent; shops are clean, bright, and business-like. No system of central work procurement or marketing has been set up. Labor unions have been only minimally interested and involved, despite procedures that should encourage participation. It costs $5,000 per year per employee to provide work in sheltered employment at prevailing rates in the industry.

Sweden has been experimenting with limited success in a program subsidizing private employers for hiring the handicapped. Great success for this program does not appear probable. It is plagued with possibilities for abuse and with the necessity of monitoring and investigating disability.

The adjustment team concept is new, but promising. In simplest terms, the team tries to find jobs in industry for the handicapped. Each plant has a team composed of employer representative, labor union representative, and employment office representative--the latter being directly concerned with placing handicapped people--plus a representative of the workers' council at the plant. Workers' councils, it has been said, have steadily shown increasing interest in general social problems instead of exclusive concern with working conditions.

The method relies on cooperation and educational approaches but carries a heavy sanction if these fail. As a last resort, the government can require that the employer hire only those referred by the employment office.

An archives program puts handicapped to work in public institutions, such as museums. It is a vehicle for furnishing employment to highly skilled but disabled persons, and about 12,000 are so employed.

Sweden's workshops are primarily places to work--not places for rendering total rehabilitation services. The vital assessment or work evaluation function is not assigned to workshops, but to a special regional evaluation center having excellent and varied staff and the most modern equipment. These centers offer thorough evaluation and certain elementary job training. The process is divided into two weeks of general assessment, two weeks of more refined assessment, and six to eight weeks of assessment and training. Fifteen percent of those going through the Center go to sheltered employment. The others go to regular employment (30%); retraining or education (35%); and medical care (20%).

Looking to the future: Sweden, recognizing that sheltered employment is here to stay, is thinking of organizing all its workshops into a chain operation with centralized management, marketing, and work procurement.

What might the United States learn from Sweden?

1. Regional evaluation has everything to recommend it--efficiency, conservation of personnel, simplication of workshop administration, and improvement of purely employment functions in the workshop.
2. Archives programs could be readily adapted to the United States.
3. We could face up to the total costs of providing sheltered employment, as Sweden has, in a program that pays normal wages.
4. We should realize once and for all, as Sweden has, that the need for sheltered employment is not going to disappear.

Poland

If the highly industrialized western capitalist countries have such problems with workshops, as need for subsidy and better wages, perhaps the socialist countries have an answer. Have they found a way to avoid subsidy? Not so. What they have done in Poland is to use some highly imaginative and effective methods of organization, of subsidizing work of the disabled, and of bringing service to the work place.

Generally speaking, one has to be extremely cautious in comparing sheltered employment in Poland with that in the West. The differences in culture, government, and economics are simply too great. However, much good is accomplished there with sheltered employment, both for the good of individuals and for the country.

All sheltered employment in Poland is done in cooperatives in which workers have some voice in management. Goals are established, production is scheduled, and prices for products set through the national plan, which includes the production of sheltered employment co-ops as well as the rest of industry. The principal distinction between a disabled and an ordinary labor co-op is that 75% of its employees are handicapped. There is a total of 428 cooperatives which operate 3,000 workshops. Employed in them are 185,000 "invalids", as the handicapped are called there, including 42,000 homebound. Only about one-third of the employed disabled are employed in the cooperative workshops.

Wages are often on a piece-work basis, but hourly rates are also used. They approximate those of normal workers, except in the case of the homebound, which is strictly piece-work.

Precise definitions of disability are hard to discover. In general, it appears that many of the workers are not severely disabled, as we would use the term. It should be noted that we did not see the homebound workers who are presumably the most severely disabled. Many workers are deaf, and they contribute heavily to production. Deaf workers in factories in any country tend to be high producers. What stands unexplained in Poland is why so many deaf workers are in

sheltered employment instead of in normal industry.

Equipment is in many cases outstandingly modern and sophisticated, even in some cases approaching automation. The effect of this on the morale of workers appears to be very good. Where equipment is less good, the reason seems to be a temporary lack of funds or availability of what is needed--never a lack of will to use it. These shops are engaged in production vital to the economy of the country, and the workers know it and appreciate their role in it. Absenteeism is low and morale appears high.

Subsidy to the shops is extensive and mostly takes the form of tax rebates, which go to close the productivity gap caused by the fact that workers are marginal producers because of disability. If, as I surmise, many of the disabilities are realtively non-severe, this too would help account for the shops' ability to pay normal or near-normal wages. An important part of the subsidy picture, too, is their system whereby prices can be set arbitrarily to cover estimated production costs and include a profit margin. In some instances, the shops are given a monopoly to produce all the country's needs for a given product and at an administratively determined price.

Poland has tied many health and social services to the work place. This seems to be particularly true of sheltered employment. Every co-op shop proudly displays its "Rehabilitation Center", which typically consists of a staff including physician, dentist, social worker, psychiatric worker and psychologist. The costs of this program are paid indirectly by the state, supplemented by some earnings from the shop. These services are what might be called supportive medicine, plus preventive medicine. They are not vocational guidance or work evaluation services as we know them. They might in individual cases result in reassignment within the factory or a trip to a sanatorium for a few weeks at co-op expense. Groups of co-ops operate regional guidance and evaluation centers, where evaluation is more intensive.

The organization of the co-ops from factory to national level is very similar to regional and national organization of co-ops in the United States.

A cultural factor to keep in mind about the Polish program is that the country is moving from a feudal to an industrial system. A very large proportion of workers, including those disabled, are from peasant background with limited education. At this stage in the country's development, factory work must be the choice for a great many of the disabled.

What might the United States learn from sheltered employment in Poland? Several things, I believe:

1. We could separate services such as assessment, vocational guidance, placement, and work evaluation from extended employment workshops so that they can concentrate on real production, thus opening the way for realistic wages, better equipment, practical subsidy, and higher morale.
2. We could seriously consider the co-op form of organization for our extended employment shops.
3. We could consider making the extended employment shop, which by definition employs only those who will *not* be returning to normal industry, the focal point for delivery of related health, social, and recreational services.
4. We could try to assign sheltered employment a respectable role in the national life, which workers would recognize as genuinely needed.
5. We could consider tax waivers as a good way to subsidize workshops.

West Germany

West Germany presents an entirely different picture of sheltered employment. Their thinking is very much in ferment at the moment, and some of their dilemmas very much resemble our own. Leaders in physical medicine are becoming much more articulate in demanding more and better restorative programs in medical rehabilitation and in rehabilitation generally.

From another quarter, aggressive leadership in the private sector, primarily but not exclusively interested in the mentally retarded, is

developing much public support for total care programs for children and young adults, including special education, day care centers, activity centers, and workshops, the latter probably in the low productivity category. From still another quarter, the federal employment service, now charged by law with administering sheltered employment, emphatically proclaims a doctrine of high efficiency in management of shops, intensive training of individuals, high productivity, and a general discouragement of "babysitting".

There will be much clashing of ideas and a power struggle before West Germany settles down to implementing its recently enacted national rehabilitation law. Until now, the development of sheltered employment has been meager. What comes under the new act may be very different. In the meantime, some novel ideas are being discussed:

1. It is stated by the employment office that two-thirds the cost of a product is non-labor cost. Therefore, since much of this is furnished free to sheltered workshops in the form of buildings, staff, and other overhead, maybe the low wages are better than supposed. If the rebate of social security tax, which amounts to 25% is added to this wage, then the worker comes near to having a competitive wage--at least a wage higher than welfare allowances.
2. Another idea related to business efficiency and production is a proposal to require sheltered workshops to have a capacity of at least 120.
3. As almost everywhere it has been tried in Europe, the quota system for employing the disabled in industry has been found wanting. The new version is expected to be a big failure.

What we might learn from West Germany:

1. That quota systems for industrial hiring of the disabled don't work.
2. That size of sheltered workshops, if they are to be efficient, is important.
3. That tax waivers are worth consideration.
4. That chain operation or something approaching it, perhaps on

a statewide basis, might increase efficiency.

The Netherlands

The Netherlands has long been known for its well-developed programs for employment of the handicapped, and I found this reputation well deserved. Their approach is imaginative and characterized by Dutch thoroughness. Holland is a highly industrialized country of 13 million population, of which four and one-half million are in the work force.

Sheltered employment in the Netherlands cannot be understood except as one understands the concept of social employment. Under it, the handicapped are considered part of the work force, and everyone is considered to have the right to work. Handicapped are screened and counseled by the Labor Department, and all those who cannot be placed in private employment are referred to social employment. This is three main types: industrial workshops, "open-air projects", and "clerical projects". The first and third do subcontracting with private industry, as well as prime manufacturing, and they do office work for public agencies. The "open-air projects" are all of a public nature, mostly in municipal parks.

Wages are those of normal industry, negotiated with labor unions. There are ten levels of wages, depending upon productivity. Those whose productivity is below 30% receive 70% of the normal beginning scale for a trial period of one year. If they do not reach 30%, they are referred to day care centers. All workers receive a labor contract.

Equipment is very sophisticated, some of it huge. The equipment obviously contributes to the morale of workers. Little handicapped people seem to enjoy pressing the buttons to make the big machine go. Absenteeism is very low. The work ethic is highly regarded. Buildings are located in industrial parks, having only letter designations, such as IBM might use, to mark the plants.

Costs are clearly defined: $8,500 per year for each sheltered worker, compared with $5,200 if people do not work, making the net cost of sheltered employment of $3,300 per year. In this connection, it must be remembered that this is a program that supplies normal

wages, so there need be no additional welfare payments. The number employed in this program is modest in relation to the total work force: 50,000 in social employment out of four and one-half million workers.

One workshop visited has a construction department with 30 workers who do masonry and carpentry for public and private firms on a "contract basis". Very important in this project, too, is the fact that when they do not have enough workers with the requisite experience, they stop the project until they do have suitable workers. There is no effort to recruit workers. The principle is to get the right work for people, not the reverse.

What might we learn from Holland?

1. Social employment is a relatively simple but reasonably expensive method for those who will not be returning to private employment.
2. The "open-air projects" offer an excellent way to both furnish employment for handicapped workers and do work of social importance.
3. The idea that groups of sheltered employees can do contract construction for public and private industry is worth consideration.
4. Social employment as practiced in Holland offers a means for involving municipalities in meaningful participation in rehabilitation programs.
5. What was seen in some other countries was seen again in Holland: high morale, low absenteeism, good equipment and buildings, good labor relations, and no faith in quota systems.

SHELTERED WORKSHOPS FOR THE 1970'S

Looking back on all of this, our acute problems, and the various means used to deal with much the same problems in the countries we visited, I make bold to write a new way of looking at sheltered workshops for the 1970's. I do not regard these ideas as a panacea, but they should furnish the basis for healthy discussion of how sheltered

employment is organized in the United States--something that is urgently needed.

1. We need to clearly separate permanent or extended employment from transitional, diagnostic, or therapeutic workshops, from activity centers, and from other types of needed rehabilitation facilities.
2. Transitional-type workshops should, wherever possible, be operated in connection with comprehensive work evaluation centers, using all the refined techniques we find reliable. University affiliations would be highly desirable. Operated on the Swedish model, such centers would keep clients for relatively short periods and need not be close to a client's home. Transportation for two or three hundred miles for a temporary stay in such a regional center would be entirely feasible. Federal legislation dealing with evaluation programs ought to firmly restrict their numbers to a reasonable regional pattern to insure adequate personnel and leadership. This is not a job for every community, nor for untrained people.
3. Having sorted out those who are going to be permanent employees in workshops, we could consider some very important changes:
   A. The Dutch social employment approach could be used for those with 30% or more productivity, and should include the "open-air" concept. This could be a 90%-100% federally financed program, with suitable regular payments to such facilities. In addition, federal grants matched by state and local funds could provide the most modern equipment and the light, industrial type of buildings required. The German idea of a minimum size of perhaps 120-400 workers could be built into the plan.
   B. We could borrow from the co-op approach in Poland and from the extensive co-op experience in consumer and producer co-ops in the United States to give a good measure of "self-management" to the shops. (Many of our states have

special laws on cooperatives and there are many people with with co-op expertise.) The morale of handicapped workers might be much higher if the shop were a respectable part of our productive system, with good equipment, safety and housing standards, and, importantly, the workers having a voice in how their shop is managed.

C. Labor relations would be greatly improved by paying a normal wage, or one with specific modifications, as in Holland. Each worker could have a labor contract. Since our labor unions are organized differently from those in Sweden and Holland, it might be difficult to obtain a standard nation-wide approach. Perhaps labor leadership could help solve this problem.

D. With such an organization of extended employment workshops, full advantage could be taken of recent legislation regarding government contracts, more so than at present, because efficiency could be greatly increased.

E. Finally, we could borrow Poland's idea of bringing needed services to the work place. Instead of handicapped workers having to go all over the community for services such as employment counseling, social security, and certain health, recreation and welfare services, these could be provided to the degree necessary, usually on a visiting basis, at the workshops. Handicapped workers, although earning a good wage, still have problems with which they need help and are as much entitled to help as other working members of the community. The difference would be that we could make it easier for them to use help by taking it to the work place.

F. If we don't want to directly finance a social employment approach, we could do as the Poles do: waive or rebate certain taxes as a means of subsidy to workshops.

4. Whatever we do about sheltered employment in the United States, it is clear that major financing should come from the federal

government, with maximum administration by state and local government--which should be given very meaningful roles. It makes no sense to merely pour out federal money for such programs unless there are really good standards for operations which are diligently enforced. Well-intentioned people could ruin such a program as suggested here for persons not going to private employment by mixing sentimental considerations into what should basically be a program of employment.

5. We should take advantage of a very fine feature in our own American way of doing things. I refer to the idea that each of the states is a laboratory wherein experiments in government can be conducted for all to see the results. New federal legislation on sheltered employment, while laying down certain important standards regarding eligibility, wages, equipment, safety, funding, size of workshops, and provision of related services, could offer the states choices among several ways of organizing the program. An obvious one would be the cooperative system, while another would be the statewide chain as contemplated in Sweden and Germany. Still others would be public or private operations, plus inclusion of the enclave ideas practiced in Denmark. By careful evaluation of the results we might, in a few years, learn a great deal more than we now know about how to employ the severely handicapped.

What has been said here pertains almost exclusively to one, and only one, aspect of rehabilitation--the provision of sheltered employment. Rehabilitation, to accomplish its mission, must of necessity have many other kinds of facilities and programs. The activity center is a very important kind of such facility, often confused with sheltered employment, although its function should be entirely different.

So much for one man's view of how we might deal with sheltered employment in the United States in the next ten to fifteen years. Now is the time to really analyze what we have been doing, achieving or not achieving, in workshops. More than ever it is a time to raise the

economic level of the man or woman who will spend working years in such employment. It is the time to recognize all over again the importance of these people and to structure their employment in a way that will contribute to their self-respect and to the contribution they in turn will make to American social, economic, and cultural development.

A Way of Looking at Sheltered Workshops for the 1970's:

A COMMENT

Dennis J. Dunn

The ugly rumor that Henry Redkey has retired is obviously laid to rest by this provocative and timely article on sheltered workshops. The concept of the workshop as an employer of the disabled has been neglected over the past decade. Instead, workshops have been conceptualized and used as providers of specialized services which enable the severely disabled persons usually served by workshops to make a transition into competitive employment. This concept of the transitional workshop has stimulated the development of vocational evaluation, adjustment, training, and placement service programs within workshops. At the same time, it has led to the relative neglect of the work part of the workshop.

There are a number of reasons why work in workshops has been ignored in recent years. Some of these are touched on by Redkey: the shift in target populations; the expectations of referring agencies; and a lack of awareness of production factors such as cost accounting, bidding, quality control, and human factors engineering. Other reasons also operate: the value placed upon competitive as opposed to sheltered employment; the predominantly psycho-social orientation held by workshop staff members; and so on. The reasons are complex and interactive but, no matter what the reasons or how they combine, the current state of workshop permanent employment programs is briefly summarized: wages paid are low (often well below the minimum wage) and must be supplemented by welfare; the work requires only minimal skill levels and is often kept this way to meet the other rehabilitation needs of the individuals served (Button & Lubow, 1971); and the work is often performed in physical environments which barely meet state and federal occupational safety and health laws. All in all, it is not too nice to be a permanent employee in a sheltered workshop unless you happen to regard work primarily as a means of obtaining a sense of personal esteem, and are not too concerned with extrinsic factors such as money and working conditions (Crissey, 1972).

It is from this perspective that Henry Redkey makes a number of specific proposals relative to the improvement of employment programs in workshops. These proposals, and a discussion of their merits,

should not divert us from the key points raised in Redkey's paper. Briefly stated, these are:

1. The role, functions, and responsibilities of the workshop *as an employer of the disabled* are clearly different from those of the workshop as a provider of services to the disabled.
2. Once sheltered workshops assume the role of employers of the disabled, they assume a number of responsibilities for the workers they employ. These responsibilities are the same as those of employers in the competitive labor market and include such things as:
   A. Payment of adequate wages;
   B. Provision of adequate machinery and technology for performing the work;
   C. Meeting occupational safety and health standards;
   D. Providing for worker satisfaction and morale;
   E. Providing workers with a voice in management.

Thus, Redkey sets down the challenge to workshops in the 1970's: can they fully meet their responsibilities as employers of the disabled?

This challenge will not be an easy one for sheltered workshops to meet. Yet it is one which must be met if workshops are to play their full role in meeting the rehabilitation and employment needs of the severely disabled. It is a challenge which can be met if we break loose from some of our stereotyped thinking and look at alternative models, ideas, and methods for providing rehabilitation and employment services in workshops.

The European programs discussed by Redkey provide a meaningful source for new ideas and approaches. In particular, the Invalid's Cooperative program in Poland offers a different way of looking at rehabilitation which is at once both strange and an exciting source for ideas. The discussion which follows is based upon my observations made during two trips to Poland, totalling five weeks. I must point out that five weeks looking at a rehabilitation system do not make an expert and some of the specifics presented here may not be exactly

correct. However, the general picture should be accurate enough to serve as a source for ideas.

Employment and Rehabilitation Services in Poland

Employment and rehabilitation services to the disabled in Poland are provided primarily through Invalid's Cooperatives. Each Cooperative engages in production for profit. Interestingly, profit makes the entire rehabilitation system largely self-supporting. Production profits are taxed by the national government (but at a lesser rate than are profits from "normal" industry). About 50% of the tax from the Cooperatives is retained by the national government as general revenue, while the remaining 50% is redistributed back through the Invalid's Cooperatives Union. This redistributed tax money is used to support the equivalent of national and state administrative activities as well as active research, development, and staff training programs. A portion of the untaxed production profit is distributed to the workers within a Cooperative as an annual bonus, with the remainder of the profit being used to maintain or expand rehabilitation and social services to workers within the Cooperative.

A Cooperative may be thought of as a factory which employs at least 75% disabled workers. The type of work performed is usually either prime manufacturing (such as cosmetics or shoes) or basic subcontracting for prime manufacturers (such as TV picture tube assemblies). One of the observations to be made about production in a typical Polish Cooperative is that the end products tend to be visibly used within the society (such as the cosmetics which are sold in kiosks on practically every street corner or the blue flashers on police vehicles) and are also often parts of luxury items (such as TV sets or Fiat automobiles). In other words, the tangible results of their production efforts are readily apparent to employees of a Cooperative, and provide these workers with continued evidence of the societal worth and value of their production.

As with any factory, a Cooperative is first concerned with production and profit. A new Cooperative begins with the hiring of

production planning, time study, engineering, and quality control personnel. Second priority is given to providing good quality supervision and training to the employees. This attention to productivity tends to maximize profits which, it will be recalled, are used to provide rehabilitation and social services to the employees in the Cooperative. In other words, the higher the productivity of the workers, the higher the profits, and the more comprehensive the rehabilitation and social services which can be provided. The merits of an emphasis on productivity are obvious.

The Poles have recognized that disabled persons have continuing medical, physical, and psycho-social needs which are not eliminated by returning to work. Consequently, these services are provided to employees at the Cooperative. Even the smallest Cooperative typically provides in-house medical, dental, and psychological services, although these may not be available on a full-time basis as is the case in larger Cooperatives. The increased availability of funding through increased profits commonly results in an expansion of these basic services and in the development of additional services such as physical and occupational therapy, social work, and recreational programs. Some of the latter are quite impressive, including organized vacation tours and camps and lodges in the country. With the exception of recreation, services are typically provided during regular working hours, and workers are given release time from their regular duties to meet their appointments. Redkey has noted that these services have both preventative and maintenance functions. Additionally, they are a significant fringe benefit and obviously contribute to the morale and job satisfaction of the workers.

The wages paid to a worker in a Cooperative are comparable to the wages which would be earned by an individual doing similar work in "normal" employment. There apparently is no direct wage subsidy involved in this. However, two points in relation to wage levels should be noted. First, Poland has a centralized, planned economy in which the number of certain articles to be produced and the price at which they will be sold is determined annually. The established sales price

includes cost factors, such as wages, as well as a predetermined profit margin. This profit margin provides some flexibility to the Cooperative and allows them to maintain competitive wage levels by reducing profit if this is necessary to compensate for any reduced productivity on the part of the disabled. Second, discussions I had with American businessmen doing business with the Poles suggests that Polish manufacturing has a number of inefficiencies and featherbedding practices (some of this can be observed within Cooperatives) which tend to reduce overall productivity levels. It is possible that the attention paid to production planning, methods, and cost control within the Cooperatives has eliminated some of the inefficiencies encountered in "normal" industry. This would enable them to pay competitive wages even though the overall production rates of the disabled might be lower than that of the non-disabled.

Workers are provided with a significant role in the management of the Cooperative. A new worker, after one year of employment, can apply for membership in the Cooperative. If accepted, by a vote of the other members of the Cooperative, the individual becomes a full voting member. The members of the Cooperative (the workers) elect a Board of Directors. The management and administrative personnel of the Cooperative are hired by the Board and are responsible to it, as is usually the case in the United States. The significant difference is that the Board is made up of workers from the workshop rather than being drawn from people in the community.

DISCUSSION

This brief overview of employment and rehabilitation in the Polish Invalid's Cooperatives does not do total justice to a complex and interesting system. It is sufficient for us to answer one question raised by Redkey in his article--why so many deaf workers are in sheltered employment. In fact, there is an apparent overall absence of intensive efforts to move the disabled from the Cooperatives into "normal" employment. This initially appears strange, yet there seems to be little need for these efforts.

A worker in a Cooperative is paid a competitive wage, works with modern tools and machinery, engages in meaningful work which has obvious social value, has a voice in the management of the Cooperative, and has ready access to a full range of needed medical, dental, psychosocial, and recreational services and programs. What would a worker gain by moving from a Cooperative to "normal" employment? Obviously very little, and a worker might actually lose some benefits by making the transfer. A Cooperative which offers a full array of services to its employees is a very attractive place to work. In fact, some Cooperatives with extensive rehabilitation, social, and recreational programs have a problem maintaining their 75% disabled employment figures because of the numbers of non-disabled workers who want to work at them. This problem is virtually unheard of in sheltered workshops in the United States.

Overall, the Polish experience with their Invalid's Cooperatives indicates that the challenge of 1970's for sheltered employment can be met. It also suggests that well developed and coordinated sheltered employment programs may not require a substantial Federal subsidy program for support. A concentration of effort on productivity and efficiency can lead to adequate wage levels and profits with minimal need for direct subsidy.

It has to be recognized that the Polish approach, or for that matter approaches used in any other country, cannot be adopted lock, stock, and barrel for use in the United States. There are too many cultural and economic differences to enable this to be done. The socialist philosophy, centralized planning, and contract pricing practices in Poland combine to enhance and facilitate several aspects of their sheltered employment program. Exactly what would happen in a capitalistic, free enterprise economy is unknown. Yet, as Redkey observes in his paper, European countries with capitalistic economies are able to capture many of the features of the Polish program.

Will sheltered workshops rise to meet the challenge of being responsible employers of the disabled? The need is present and many possible ways of meeting the challenge are available to us. It is

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now up to us to restructure sheltered employment programs to meet the challenge.

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